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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 21, 2000

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. PUE000740

Ex Parte: In the matter
concerning a draft plan
for phase-in of retail
electric competition

ORDER PRESCRIBING NOTICE AND INVITING COMMENTS

The General Assembly enacted § 56-577 of the Virginia Electric Utility Restructuring Act (the "Act"), Chapter 23 (§ 56-576 et seq.) of Title 56 of the Code of Virginia (the "Code"), effective July 1, 1999. The statute directs the State Corporation Commission ("Commission") to establish a phase-in schedule for the transition to a competitive market in the provision of retail electric generation services for electricity customers within the Commonwealth. According to the Act, the phase-in is to begin on January 1, 2002, and must be completed by January 1, 2004.¹ The statute further directs the Commission to "ensure that residential and small business retail customers are permitted to select suppliers in proportions at least equal

¹ The Commission may accelerate the scheduled phase-in or may delay it by one year only. § 56-577 B of the Code of Virginia.

to that of other customer classes permitted to select" their suppliers during the transition period.

At the Commission's request, Staff has prepared a report that includes a recommended draft plan for the transition to full retail choice. In developing its report Staff solicited thoughts from a number of stakeholders through meetings, conference calls, and correspondence. Those stakeholders included all investor-owned and cooperative electric companies, competitive service providers that have received or applied for a license to compete, the Attorney General's Office, and representatives of consumer groups and other interests.

Pursuant to the statutory directive in the Act, the Commission establishes this proceeding to consider the Staff's report and recommended plan, which are attached to this Order. Interested parties are requested to evaluate and respond to the proposed plan and to suggest alternatives to any provision of the proposed plan, as they deem advisable.

Any interested party also may request that the Commission hold a hearing to address the draft plan. At the conclusion of this matter, the Commission will issue a phase-in plan scheduling the transition to competitive provision of electric retail generation services.

Accordingly, we are of the opinion and find that: this matter should be docketed; interested persons should be afforded

an opportunity to file written comments or request a hearing or oral argument on the draft plan; notice of this Order should be published on one occasion in newspapers of general circulation throughout the Commonwealth and a copy of this Order and the draft plan should be forwarded to the Registrar of Regulations for publication in the Virginia Register of Regulations.²

Accordingly, IT IS ORDERED THAT:

(1) This matter shall be docketed and assigned Case No. PUE000740.

(2) On or before January 5, 2001, the Commission's Division of Information Resources shall cause the following notice to be published as classified advertising on one occasion in newspapers of general circulation throughout the Commonwealth:

NOTICE OF PROCEEDING IN WHICH THE STATE
CORPORATION COMMISSION SEEKS PUBLIC COMMENT
AND REQUESTS FOR HEARING OR ORAL ARGUMENT ON
THE PHASE-IN TO COMPETITIVE PROVISION OF
RETAIL ELECTRIC GENERATION SERVICE

The General Assembly enacted § 56-577 of the Virginia Electric Utility Restructuring Act (the "Act"), Chapter 23 (§ 56-576 et seq.) of Title 56 of the Code of Virginia (the "Code"), effective July 1, 1999. The statute directs the State Corporation Commission ("Commission") to establish a phase-in schedule for the transition to a competitive market in the provision of retail electric generation

² An unofficial version of the text of this Order also is available on the Commission's web site at <http://www.state.us.va/scc/orders.htm>.

services for electricity customers within the Commonwealth. According to the Act, the phase-in is to begin on January 1, 2002, and must be completed by January 1, 2004. The statute further directs the Commission to develop a plan that ensures that residential and small commercial customers "are permitted to select suppliers in proportions at least equal to that of other customer classes" during the phase-in period. The Commission therefore is initiating this proceeding to assist it in these matters. The Commission Staff has developed, following consultations with the utilities, the Office of Attorney General, competitive service providers, and consumer groups, a draft phase-in plan to serve as a basis for initiating our consideration of this matter.

A copy of the Order Prescribing Notice and Inviting Comments ("Order"), together with the Staff Report and draft plan for phase-in to competitive provision of electric retail generation service may be reviewed from 8:15 a.m. to 5:00 p.m., Monday through Friday, in the State Corporation Commission's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Interested persons also may obtain a copy of the Order, the Staff Report, and the draft plan from the Commission's website, <http://www.state.va.us/scc/caseinfo/orders.htm>, or by directing a written request for a copy of same to Joel H. Peck, Clerk of the Commission, at the address set forth below, and referring to Case No. PUE000740.

Any person who wishes to submit comments or request a hearing in this matter shall file an original and fifteen (15) copies of such comments or request with the Clerk of the Commission, on or before February 15, 2001, and shall refer in the comments to Case No. PUE000740. The comments shall state the person's interest in this proceeding. A request for hearing

shall set out in detail why a hearing is necessary or advisable. A request for hearing shall identify the issues upon which the party seeks a hearing, the evidence expected to be offered therein, and should explain why the issues raised cannot be adequately addressed in written comments. A request for oral argument should indicate the matters upon which counsel wishes to be heard.

All communications to the Commission regarding this proceeding shall refer to Case No. PUE000740, and shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218.

THE STATE CORPORATION COMMISSION

(3) The Commission's Division of Information Resources shall forthwith cause a copy of this Order and the draft plan to be forwarded to the Registrar of Regulations for publication in the Virginia Register of Regulations.

(4) The Commission's Division of Information Resources shall file promptly with the Clerk of the Commission proof of the publication of the notices required herein as they become available.

(5) Interested persons may obtain a copy of this Order, together with the Staff Report and the draft plan, by directing a request in writing for the same to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Such requests shall refer to Case No. PUE000740. Interested persons also may obtain a copy

of the Order, Staff Report, and draft plan from the Commission's website, which may be accessed at

<http://www.state.va.us/scc/caseinfo/orders.htm>.

(6) A copy of this Order, together with the Staff Report and draft plan, shall also be made available for public review at the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, during its regular hours of operation, Monday through Friday, from 8:15 a.m. to 5:00 p.m.

(7) On or before February 15, 2001, any interested person who wishes to submit comments or request a hearing or oral argument on the draft plan attached hereto shall file an original and fifteen (15) copies of such comments or request in writing with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Such comments and requests shall refer to Case No. PUE000740. Such comments shall set forth the person's interest in this proceeding. A request for hearing or oral argument shall set out in detail why such proceeding is necessary or advisable. A request for hearing should identify with specificity the issues proposed to be addressed at such hearing, the evidence expected to be offered therein, and should explain why the issues raised cannot be adequately addressed in written

comments. A request for oral argument should indicate the matters upon which counsel wishes to be heard.

(8) This matter shall be continued, pending further order of the Commission.

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